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**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR JULY 2011**

NEW YORK, August 17, 2011 – E*TRADE Financial Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for July 2011.

Daily Average Revenue Trades (“DARTs”) for July were 144,023, an 11 percent increase from June and a 12 percent increase from the year-ago period. The company ended the month with approximately 2.8 million brokerage accounts – including gross new brokerage accounts of 24,110 and net new brokerage accounts of 916 during the month. Total accounts ended the month at approximately 4.3 million.

Net new brokerage assets were positive \$0.4 billion in the month. During the month, customer security holdings declined by two percent, or \$2.6 billion, and brokerage-related cash increased by \$1.4 billion to \$27.7 billion, while customers were net sellers of approximately \$1.1 billion in securities. Bank-related cash and deposits decreased by \$0.1 billion, ending the month at \$8.3 billion.

(more)

Monthly Activity Data

	Jul-11	Jun-11	Jul-10	% Chg. M/M	% Chg. Y/Y
Trading days	20.0	22.0	21.0	N.M.	N.M.
DARTs	144,023	130,331	129,147	10.5 %	11.5 %
Gross new brokerage accounts	24,110	26,572	24,034	(9.3)%	0.3 %
Gross new stock plan accounts	21,380	20,474	16,610	4.4 %	28.7 %
Gross new banking accounts	1,666	1,620	1,544	2.8 %	7.9 %
Total gross new accounts	47,156	48,666	42,188	(3.1)%	11.8 %
Net new brokerage accounts	916	2,581	4,536	N.M.	N.M.
Net new stock plan accounts	7,772	(552)	(1,000)	N.M.	N.M.
Net new banking accounts	(2,936)	(4,650)	(10,422)	N.M.	N.M.
Net new accounts	5,752	(2,621)	(6,886)	N.M.	N.M.
End of period brokerage accounts	2,760,689	2,759,773	2,654,036	0.0 %	4.0 %
End of period stock plan accounts	1,061,818	1,054,046	1,029,647	0.7 %	3.1 %
End of period banking accounts	481,631	484,567	554,966	(0.6)%	(13.2)%
End of period total accounts	4,304,138	4,298,386	4,238,649	0.1 %	1.5 %
Customer Assets (\$B)					
Security holdings	\$ 124.8	\$ 127.4	\$ 105.1	(2.0)%	18.7 %
Customer payables (cash)	5.8	5.3	4.2	9.4 %	38.1 %
Customer cash balances held by third parties	3.5	3.4	3.0	2.9 %	16.7 %
Unexercised stock plan customer options (vested)	21.9	23.5	16.1	(6.8)%	36.0 %
Customer assets in brokerage and stock plan accounts	156.0	159.6	128.4	(2.3)%	21.5 %
Sweep deposits	18.4	17.6	14.0	4.5 %	31.4 %
Savings, transaction and other	8.3	8.4	9.7	(1.2)%	(14.4)%
Customer assets in banking accounts	26.7	26.0	23.7	2.7 %	12.7 %
Total customer assets	\$ 182.7	\$ 185.6	\$ 152.1	(1.6)%	20.1 %
Net new brokerage assets (\$B) ⁽¹⁾	\$ 0.4	\$ 0.1	\$ 0.5	N.M.	N.M.
Net new banking assets (\$B) ⁽¹⁾	(0.1)	(0.1)	(0.2)	N.M.	N.M.
Net new customer assets (\$B) ⁽¹⁾	\$ 0.3	\$ -	\$ 0.3	N.M.	N.M.
Brokerage related cash (\$B)	\$ 27.7	\$ 26.3	\$ 21.2	5.3 %	30.7 %
Other customer cash and deposits (\$B)	8.3	8.4	9.7	(1.2)%	(14.4)%
Total customer cash and deposits (\$B)	\$ 36.0	\$ 34.7	\$ 30.9	3.7 %	16.5 %

(1) Net new customer assets are total inflows to all new and existing customer accounts less total outflows from all closed and existing customer accounts. The net new banking assets and net new brokerage assets metrics treat asset flows between E*TRADE entities in the same manner as unrelated third party accounts.

About E*TRADE Financial

The E*TRADE Financial family of companies provides financial services including online brokerage and related banking products and services to retail investors. Specific business segments include Trading and Investing and Balance Sheet Management. Securities products and services are offered by E*TRADE Securities LLC (Member FINRA/SIPC). Bank products and services are offered by E*TRADE Bank, a Federal savings bank, Member FDIC, or its subsidiaries. More information is available at www.etrade.com.

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